

TO: Agency Heads and PARS Coordinators

DT: June 25, 1999

RE: Performance Assessment and Recognition System (PARS)

We have reached the end of the 1998-99 fiscal year and the time to evaluate managers' performance. Governor Rowland has authorized funding for PARS payments effective September 24, 1999. This funding allows participating managers to receive salary increases, and funds Performance Recognition Award bonuses for those with extraordinary accomplishments during the year. Three percent (3%) salary increases or lump sum payments at maximum will be available to all managers rated "meets all expectations" or above, for the Fiscal Year 1998-99. Salary increases and bonuses will appear in the October 22, 1999 paychecks.

AGENCY ELIGIBILITY: PARS salary increases and bonuses will be effective with the pay period beginning on September 24, 1999. Those agencies participating in PARS during FY1998-99 will be eligible to grant salary increases, lump sum payments at maximum, and bonuses based on performance evaluations of managers on the MP and MD pay plans. To be approved for payment of these amounts, PARS agencies must comply with directions concerning payouts and supply the information requested in this memorandum to the DAS Human Resources Business Center by August 6, 1999.

In agencies which have not participated in the PARS program, managers with good performance who are paid on the MP and MD pay plans will receive annual increases of three percent (3%) up to the position rate/maximum of their salary range. (Lump sum payments are not available to managers in non-participating agencies.)

SALARY INCREASES FOR PARS AGENCIES: A three percent (3%) salary increase not to exceed the maximum of his/her salary group will be built into the salary of those managers rated in the top two categories: "meets all expectations" and "exceeds expectations". A one and one-half percent (1.5%) increase will be built into the salary of those with a first rating of "needs improvement". A second consecutive rating of "needs improvement" earns no salary increase. No payout will be made to those with a rating of "unsatisfactory". A manager at the maximum of his/her salary group will be eligible for a lump sum payment of three percent (3%) for performance rated as "meets all expectations" or "exceeds expectations". A performance recognition award may be added to this amount for exceptional performance.

PERFORMANCE RECOGNITION AWARD BONUSES: PARS allows agencies to determine both the number and size of Performance Recognition Award bonuses within the agency pool of dollars and the minimum/maximum guidelines. Each eligible manager will generate \$250 toward the agency's Performance Recognition Award bonus pool. Supervising managers may nominate managers for these bonus awards and each agency is expected to weigh performance and responsibility distinctions in making decisions about the relative size of its performance recognition awards to its managers. To ensure that awards are meaningful, minimum and maximum award limits have been established. For agencies with six or more participating managers, the minimum award bonus that can be given is \$750 and the maximum award bonus that can be granted is \$1500. For agencies with fewer than six participating managers, bonus payments may range from a minimum of \$250 to a maximum of \$1500.

INDIVIDUAL ELIGIBILITY: Please note that agencies may only count managers for their pool who are fully eligible (having at least six months' participation in the plan) for PARS. Durational Project Manager positions filled by individuals from outside the classified service and Executive Assistants should not be included in the count or receive payments. Managers who participated in the plan from July 1, 1998 and retired, were laid off or died between January 1 and June 30, 1999, may receive pro-rated payments. Since payments are delayed three months, only 75% of the normal pro-rated payments should be paid, as has been the policy for the past four years. Managers who were hired or promoted into managerial classes during the year may receive a reduced salary increase, depending on the date of appointment and, in the case of a promotion, the previous annual increase date. (Please refer to the Appendix of the PARS manual, which is enclosed, for instructions on pro-rated payments and on managers hired or promoted during the year.)

Managers who transfer from one agency to another during the rating year or prior to payout, receive PARS salary increases and/or lump sum payments from the employing agency at the time of payout. (Managers who transfer to an agency governed by a different pay structure such as the Judicial or Legislative branch, are not eligible for PARS salary increases or lump sum payments.) Bonus awards for these managers, if applicable, would be paid by the agency that employed the manager for at least six months during the rating year. Transfer situations are often complex and may require a case by case review.

REQUIRED DOCUMENTATION: Agencies participating in the PARS program must complete the attached PARS Form A to document how PARS funds are expended. Although the PARS payments will be made in October, performance appraisals should be completed and the documents required to receive payments must be sent to my staff by August 6, 1999. A completed PARS appraisal form must accompany any payout request for a rating of "exceeds expectations". (Please note that performance evaluations must be on file in agencies for all employees on the MP and MD Pay Plans.)

These completed performance appraisals should be kept in the manager's official personnel file.)

It is our intent to get rosters generated by APS to you by July 7, 1999 of current or former employees with salaries who had participated in PARS during Fiscal year 1998-99. This will be a list that you can edit and it should assist you in making salary calculations. A copy of this corrected list must be returned to DAS along with the other required PARS documentation. (Please note that all relevant pay scales for PARS participants are available on the DAS web site [www.das.state.ct.us] to assist you in determining those persons who are at the maximum of their range who will receive lump sum payments.) Agencies not presently on APS will need to generate their own managerial list. This list should be in spreadsheet form and should include: manager's name, job title, PARS rating, MP/MD salary group, present salary, salary after the PARS increase, lump sum payment and bonus award.

Please mail or FAX all completed PARS Forms A, reconciled Agency Manager Lists, and Performance Appraisals for managers receiving bonus awards to:

William Gills
DAS/Human Resources Business Center
165 Capitol Avenue, Room 279
Hartford, CT 06106
Fax Number: 860-713-7472

APS: A Form 301 must be created for each managerial employee. Forms 301 will be generated automatically for managers who are assigned to the MP or MD pay plans AND whose PARS increases would not take them above the salary group maximum. For all others, the agency must create Forms 301. Indicate the MP/MD salary group that the employee is assigned to and the calculation of the increase or bonus in the remarks section of the forms. The following is an example of the salary calculation for a manager rated as "meets all expectations".

Indicate the salary group used for calculation—July 1, 1999 biweekly base salary x 26.1 = July 1, 1999 annual salary (round down to nearest dollar).
July 1, 1999 annual salary x 1.03 (PARS increase) = new annual salary (round up to nearest dollar). If this amount is over the salary group maximum, the amount over maximum is paid as a lump sum. New annual salary divided by 26.1 = new biweekly salary (round up to nearest penny).

Agencies not presently on APS will need to generate Forms 201 for all managers receiving PARS increases.

DAS will be post-auditing the 201 and 301 forms. Questions on the 201 and 301 process should be directed to Antoinette (Toni) Alphonse at 860-713-5168.

AWARD CERTIFICATES: Certificates for managers receiving Performance Recognition Awards should be ordered directly from the Putnam Group Ltd. Enclosed is a copy of the contract with the Putnam Group. The company will provide certificates directly to you, and you will arrange payment to them. Please have your certificate orders to the Putnam Group by the end of August.

FISCAL YEAR 2000: As we begin the new fiscal year, the most important part of the PARS program begins again – drafting objectives to define each manager's responsibilities and expectations for the year. I hope you will use this management tool to support your annual business planning process and to help define and achieve your agency's mission.

QUESTIONS: Questions regarding the administration of the PARS program should be addressed to William Gills at 860-713-5192.

Thank you very much for your cooperation.

Alan J. Mazzola
Deputy Commissioner

Attachments

99-08

**DEPARTMENT OF ADMINISTRATIVE SERVICES
HUMAN RESOURCES BUSINESS CENTER**

PARS Summary
Form A

AGENCY NAME_____ **AGENCY #**_____ **FY 1998-99**

MANAGERS ELIGIBLE for PARS payments:

Managers participating in PARS for at least 6 months _____

Retired managers eligible for pro-rated payments _____

Sub-total _____ **x \$250 =** _____ **Bonus Pool**

Other managers (receiving no PARS, or phase in payments) _____

Total agency managers _____

FUNDING

GENERAL FUND:

General fund **Salary Increases** \$ _____

General fund **Lump Sums paid at max** \$ _____

General fund **Bonus Payments**** \$ _____

Total General Fund PARS \$ _____

NON-GENERAL FUND:

Non-general fund **Salary Increases** \$ _____

Non-general fund **Lump Sums paid at max** \$ _____

Non-general fund **Bonus Payments**** \$ _____

Total non-general fund PARS \$ _____

****TOTAL BONUS PAYMENTS (MUST NOT EXCEED BONUS POOL)** \$ _____

RATING CATEGORY	# of Managers	Pct of Managers	# at Position Rate
Exceeds Expectations (3%+)	_____	_____	_____
Meets All Expectations (3%)	_____	_____	_____
Needs Improvement (1.5%)	_____	_____	_____
Unacceptable (0%)	_____	_____	_____
Total	_____	100%	_____